

DEPARTMENT OF CHILDREN  
AND FAMILIES  
Secretary Eloise Anderson  
201 East Washington Avenue, Room G200  
P.O. Box 8916  
Madison, WI 53708-8916  
Telephone: 608-422-7000  
Fax: 608-266-6836  
www.dcf.wisconsin.gov



State of Wisconsin  
Governor Scott Walker



TO: **W-2 Agencies  
Training Staff**

FROM: Margaret McMahon, Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

**BWF OPERATIONS MEMO**

No: 17-17

DATE: 08/04/2017

W-2	<input checked="" type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	RAP	<input type="checkbox"/>	Other EP	<input type="checkbox"/> *

**SUBJECT: *Federal 60-Month Lifetime Limit for Receipt of TANF Assistance***

**CROSS REFERENCE:** [W-2 Manual Section 2.10 W-2 Time Limits](#)  
[Operations Memo 17-16: Wisconsin Works Time Limits – Policy Updates and Changes](#)  
[Operations Memo 17-15: Modernization of CARES Mainframe Time Limits Screens](#)  
[Operations Memo 09-48: Federal Clock Not Matching W-2 Paid Months Monitoring Report](#)

**EFFECTIVE DATE:** August 5, 2017

**PURPOSE**

The purpose of this memo is to provide information on updates and changes to Wisconsin Works (W-2) policies regarding receipt of Temporary Assistance for Needy Families (TANF) benefits and the federal 60-month lifetime limit.

**BACKGROUND**

The federal TANF program provides funding, in part, to the W-2 program and assistance payments to participants. Federal TANF regulations prohibit states from using federal TANF funds to provide assistance to most families beyond 60 cumulative months, although states can set time limits shorter than 60 months. The TANF regulations include a standard definition of assistance. The standard definition of assistance has not changed and is provided below to remind W-2 agencies of which forms of assistance count toward the federal 60-month lifetime limit.

2015 Wisconsin Act 55 reduces the W-2 **state** lifetime eligibility limit from 60 to 48 months and conforms language surrounding availability of extensions to federal law. Implementation of the changes in 2015 Wisconsin Act 55 will correspond with the promulgation of the administrative rules and require significant modifications to current W-2 time limit policies and related practices. The Bureau of Working Families has planned a phased approach to the W-2 48-month lifetime limit.

The first phase of implementation includes the changes and updates to time limit policies outlined in the [Operations Memo 17-16: Wisconsin Works Time Limits – Policy Updates and Changes](#) as well as the modernization of the CARES Work Program Subsystem time limits management screens outlined in [Operations Memo 17-15: Modernization of CARES Mainframe Time Limits Screens](#).

### **FEDERAL LIFETIME LIMIT POLICY**

Pursuant to 45 C.F.R. §260.31, ‘assistance’ is defined as “cash, payments, vouchers, and other forms of benefits designed to meet a family’s ongoing basic needs (i.e., food, clothing, shelter, utilities, household goods, personal care items, and other general incidental expenses).”

The regulations further specify that ‘assistance’ does **not** include:

- Non-recurrent, short-term benefits that are designed to deal with a specific crisis situation or episode of need, are not intended to meet recurrent or ongoing needs, and will not extend beyond four months (e.g., Stipends for Noncustodial Parents [TSP], At-Risk Pregnancy [ARP], and some Custodial Parent of an Infant [CMC] payments);
- Months for which no payment is received because of a full-family sanction or a full payment is recouped;
- Work subsidies (e.g., Trial Employment Match Program [TEMP] jobs); and
- Supportive services such as child care and transportation assistance provided to families **who are employed**.

Pursuant to 45 C.F.R. §264.1 (b) (1) (i), a month for which the head-of-household or spouse of the head-of-household receives TANF assistance counts toward the federal lifetime limit. In calculating months of TANF assistance used, the head-of-household is the parent participating in a paid W-2 placement. TANF months of assistance accrue individually for the head-of-household and the spouse. Marital status is not relevant to counting months toward an individual’s state 60-month lifetime limit.

If an individual does not actually receive a payment for a month, he or she has not received federal TANF assistance. However, months for which the individual is in a paid placement, but does not receive a payment, still count toward the individual’s 60-month state lifetime limit.

There is no change to the federal policy regarding receipt of TANF assistance.

### **NEW W-2 POLICY**

#### NEW W-2 MANUAL SECTION

The policy updates addressed in this memo and existing policy regarding whether a month counts toward the 60-month federal lifetime limit have been added as a new manual section, [2.10.9 Federal 60-Month Lifetime Limit](#), in the W-2 Manual and is attached to this memo.

### STATE 60-MONTH LIFETIME LIMIT

#### Current Policy

W-2 Manual [Section 2.10.2.1](#) states that the state 60-month time limit is the cumulative total of the number of months the individual or any adult member of the individual's W-2 Group has participated in, or has received assistance payments for, any of the following or any combination of the following:

1. A TEMP, Community Service Job (CSJ), or Wisconsin Works Transition (W-2 T) at any time during a month.
2. Any TANF funded program in this state or any other state for which the participant received TANF cash assistance while in that program (see [2.10.2.3](#)). This includes Tribal TANF funds.
3. The Aid to Families with Dependent Children (AFDC) JOBS program from October 1, 1996, to W-2 implementation in September 1997.

The W-2 Manual does not specify the differences between counting months toward the state and federal lifetime limits.

#### Policy Clarification

Participation in a W-2 Employment Position at any time during a month, including TEMP, CSJ, W-2 T, counts toward the state 60-month lifetime limit, even if the payment was reduced to \$0.

#### New Policy

The new manual section [2.10.9 Federal 60-Month Lifetime Limit](#) states that Wisconsin has established a 60-month lifetime limit for benefit receipt in this state, but there are differences in how state lifetime limit months and federal months of assistance are counted. Months that count toward the 60-month state lifetime limit do not always count toward the 60-month federal lifetime limit. It is also possible for a month to count toward the federal lifetime limit, but not the state lifetime limit because of the requirements for months in a CMC placement ([See 2.10.8](#)).

### COUNTING OTHER PARENT MONTHS

#### Current Policy

The time limit applies to the W-2 Group.

#### Policy Clarification

A non-placed parent (i.e., second parents, stepparents, adult SSI/SSDI recipients, and nonmarital co-parents residing in the same household) in a W-2 Group will always use a state month of assistance due to being an adult in the W-2 Group. These months are captured in the Time Limit Tracking application as 'other parent' months (OPC).

This policy has not changed, although there have been inconsistencies in applying this policy. W-2 Manual [Section 2.10.2.1](#) has been revised to clarify counting months for other adults, along with additional revisions described in [Ops Memo 17-16: Wisconsin Works Time Limits – Policy Updates and Changes](#).

### Current Policy

Qualified non-citizens are subject to the state 60-month time limit and placement time limits. In a two-parent case where one parent is a qualified non-citizen and the other is a U.S. citizen, the U.S. citizen will only use months of federal TANF assistance when the U.S. citizen is in a paid placement.

The W-2 Manual does not specify how the relationship between the W-2 adult group members impacts whether federal months of TANF assistance accrue for another parent in a W-2 Group when the other parent is in a paid W-2 placement.

### Policy Clarification

A non-placed parent in a W-2 Group will only use a federal month of TANF assistance if:

- a) The non-placed parent is married to the placed parent;
- b) The placed parent used a federal month; and
- c) Both parents are U.S. citizens. If only one parent is a U.S. citizen, the U.S. citizen will only use months of federal TANF assistance when the U.S. citizen is in a paid placement. (See [2.4.2](#))

Most non-placed parents will use the same federal and state months as the placed parent, although there are exceptions for qualified non-citizens and adults who are not married to the placed parent. (See [2.4.2](#))

In a W-2 Group consisting of two nonmarital co-parents with a child in common, the non-placed parent's months used will only count toward the state 60-month lifetime limit. If the parents are married, the non-placed parent's months used will count toward both the federal and state 60-month lifetime limits.

- **Note:** Whether a month for a non-placed parent counts toward the individual's federal lifetime limit depends on the non-placed parent's marital status to the placed parent, not on whether the non-placed parent is an Eligible Adult or Included Adult. The non-placed parent must be the spouse of the placed parent in order for the month to count toward the federal 60-month lifetime limit.

**Example 1:** Judy and Joan are married and have adopted a child, Beth. Judy is participating in a CSJ placement. For every month that Judy receives a payment for her CSJ participation, Joan uses an 'other parent' month that counts toward both the federal and state 60-month lifetime limits.

**Example 2:** Melissa and Keith are living together and have a child, Lenny. Melissa is in a W-2 T placement. For each month that Melissa participates in the W-2 T placement, Keith will use an 'other parent' month that only counts toward the state 60-month lifetime limit. Because Keith is not married to Melissa, his 'other parent' months do not count toward his federal 60-month lifetime limit.

**Example 3:** Ahmed and Julianne are married and have a child, Omar. Ahmed is a qualified non-citizen and is participating in a CSJ placement. Julianne is a U.S. citizen. For each month Ahmed participates in the CSJ placement, Julianne uses an 'other parent' month. Because W-2 payments to qualified non-citizens are not paid with federal TANF funds, these months do not count toward Ahmed or Julianne's federal time limits. If Julianne became the placed parent, those months would count toward her federal time limit, but they would not count toward Ahmed's time limit because he is a qualified non-citizen.

### COUNTING CUSTODIAL PARENT OF AN INFANT MONTHS

#### Current Policy

The W-2 Manual does not specify when a participant in a Custodial Parent of an Infant (CMC) placement accrues federal months of TANF assistance.

#### Policy Clarification

CMC placement months only count toward the 60-month federal lifetime limit when the participant moves directly from a W-2 T or CSJ placement to a CMC placement.

- **NOTE:** The state law regarding CMC placements focuses on the length of time between when the individual was first determined eligible for assistance and when the baby was born. This policy has not changed. Significant revisions to W-2 Manual Section 2.10.8 combine the state and federal requirements to improve understanding of CMC policy.

Previously, the W-2 Manual did not address whether a month which counted toward the 60-month state lifetime limit also counted toward the 60-month federal lifetime limit. Revisions throughout the W-2 Manual address this policy. There may be months where the CMC placement counts toward the 60-month state lifetime limit, but not toward the 60-month federal lifetime limit, as well as months where the CMC placements counts toward the 60-month federal lifetime limit, but not toward the 60-month state lifetime limit. Some months may also count toward both the 60-month state lifetime limit and the 60-month federal lifetime limit.

The *CMC Overview Table* below captures the possible time limit combinations for CMC placements:

<b>CMC Overview Table</b>						
<b>Item</b>	<b>Placement Change</b>	<b>Time Since Eligibility First Ever Determined</b>	<b>Federal</b>	<b>State</b>	<b>24 Month Placement Time Limit</b>	<b>Time Limit Type</b>
1	ARP to CMC, CMP to CMC, None to CMC, TEMP to CMC	<10 months	No	No	No	None*
2	W-2 T or CSJ to CMC	<10 months	Yes	No	No	CMC
3	ARP to CMC, CMP to CMC, None to CMC	>10 months	No	Yes	No	CMC
4	TEMP to CMC	>10 months	No	Yes	Yes	TEMP
5	W-2 T or CSJ to CMC	>10 months	Yes	Yes	Yes	CSJ or W-2 T

\*Although an individual in Item 1 will be in a CMC placement, these months do not count toward a federal, state, or placement limit. Therefore, the Time Limit Type is listed as None.

- **Note:** If an individual is in a federal-only CMC placement, and there is an Included Adult in the W-2 Group, the non-placed parent will use a federal-only OPC month. If the non-placed parent is a qualified non-citizen, the non-placed parent will not use a federal month of assistance for the time that the participant is in the federal-only CMC placement.

[See attached updated W-2 Manual Section 2.10.8.](#)

## TEMP

### Current Policy

W-2 Manual [Section 2.10.3](#) states that when a participant moves between employment positions during the calendar month, the 24-month time limit is determined by the employment position placement on the last day of the month.

The W-2 Manual does not specify whether months used when a participant is in a TEMP placement following a CSJ or W-2 T placement count as federal months of TANF assistance.

### Policy Change

When a participant moves between employment positions during the calendar month, the type of 24-month time limit used is determined by the employment position placement on the last business day of the month. If the placement on the last business day of the month is a TEMP placement (TMP or TNP), and there was a payment of \$1 or more for a CSJ or W-2 T placement in the same calendar month, the month will also count toward the individual's 60-month federal lifetime limit due to receipt of TANF cash assistance.

If the participant is only in a TEMP placement for the entire month, and moves from an unpaid placement to TEMP, or moves from TEMP to unpaid placement, the TEMP months do not

count toward the individual's 60-month federal lifetime limit because the payment is a work subsidy from an employer, which does not meet the federal definition of assistance.

[See attached updated W-2 Manual Section 2.10.3.](#)

**Example:** Herman is in a CSJ placement at the beginning of March. On March 20, he begins participating in TEMP (TMP placement). When the Time Limit Tracking application updates Herman's Time Limit page on March 31, Herman's March time limit type will indicate a TMP month of assistance, but the federal indicator will display as 'Yes' in the Time Limit Tracking application due to his prior CSJ payment.

### BENEFIT ISSUANCE

#### Current Policy

The W-2 Manual does not specify whether a month should count toward the 60-month federal lifetime limit when there is a paid placement in a month but no payment due to nonparticipation.

#### Policy Clarification

A month counts toward an individual's 60-month federal lifetime limit only if the individual has actually received a TANF payment (of \$1 or more) for that month.

If the individual's payment was sanctioned to \$0 due to nonparticipation, the corresponding month used will only count against the state 60-month lifetime limit.

If the individual's payment was sanctioned to \$0 for nonparticipation after the W-2 Pulldown Payment Cycle (see [10.2.1](#)), the individual will still receive the full payment (unless the Electronic Funds Transfer fails or the check is returned as undeliverable). The Financial and Employment Planner (FEP) must not make an adjustment to an individual's 60-month federal lifetime limit until an overpayment is established and the individual repays the full amount due, or the payment is returned. Even if the payment is repaid or returned, per W-2 Manual [Section 2.10.5](#), no adjustment will be made to the 60-month state lifetime limit if the returned payment or repaid overpayment is from a W-2 employment position participant who was sanctioned. Only the Federal Indicator will be changed due to receipt or non-receipt of payment.

- **Note:** FEPs **must** ensure that any nonparticipation is entered prior to the W-2 Pulldown Payment Cycle in order for the check to be sanctioned correctly. The examples below show the difference in processes for when non-participation is entered prior to W-2 pulldown versus after W-2 pulldown.

[See attached new W-2 Manual Section 2.10.9.](#)

**Example 1 (Prior to W-2 Pulldown):** Gayle is in a CSJ placement for the month of April, but she does not complete her activities. Gayle's FEP enters nonparticipation on April 22, prior to pulldown, and Gayle's check is sanctioned to \$0. Gayle will use a CSJ month for April that will only count against the state 60-month lifetime limit. If Gayle provides good cause for the hours she missed after pulldown, Gayle's FEP will issue an auxiliary payment which will cause the Time Limit Tracking application to automatically change the Federal Indicator for that month to

'Yes'. Gayle's Time Limits page will update to show that the CSJ month used in April counts toward both the Federal and State 60-month lifetime limits.

**Example 2 (After W-2 Pulldown):** Mali is in a CSJ placement for the month of April, but she does not complete her activities. Mali's FEP is waiting for Mali to provide documentation for good cause and doesn't enter Mali's nonparticipation until April 28. Because the W-2 Pulldown Payment Cycle ran on April 25, Mali will receive the full check. In order to recoup the overpayment, Mali's FEP would need to establish an overpayment and send notice to Mali. The month will count against Mali's federal lifetime limit until the overpayment is recovered in full. If Mali repays in full the overpayment, then a worker would be able to change Mali's Federal Indicator from 'Yes' to 'No' because Mali would not have received the payment for that month. However, this month would still count against Mali's 60-month state lifetime limit.

### Current Policy

The W-2 Manual does not specify whether a month should count toward the 60-month federal lifetime limit when there is participation in a month but a delayed payment is issued the following month.

### Policy Clarification

If an individual is placed at the end of the month, and the individual's check will be issued during the following month's W-2 Delayed Payment Cycle, the month in which the individual was placed will count toward the individual's federal, state, and placement time limits. The payment is based on the individual's participation during the previous month, so the payment is for the previous month's activities.

**Example:** Hilda applies for W-2 on May 22. Her FEP places her in a W-2 T starting May 25. Hilda will receive a delayed payment in June for her May participation. In the Time Limit Tracking application, Hilda will use a W-2 T month for May and the month used will count toward both the state and federal 60-month lifetime limits based on her participation from May 25 to May 31.

[See attached new W-2 Manual Section 2.10.9.](#)

## **TIME LIMIT TRACKING APPLICATION**

Effective August 5, 2017, a new web-based Time Limit Tracking application will implement the policy addressed in this memo and replace the CARES Mainframe time tracking system. If a month should not count toward an individual's 60-month federal lifetime limit, workers with a security level of 50 or higher in CARES Worker Web will be able to change the Federal Indicator in the new application. New W-2 Manual [Section 2.10.9.1 Changing the Federal Indicator](#) has been added to clarify when the Federal Indicator should be adjusted and is attached to this memo.

## **TRAINING**



The Partner Training Team (PTT) developed training on the time limits policy changes and clarifications as well as how to use the new time limits pages. PTT created a webcast recording to describe the W-2 Time Limit Tracking Policy and Automation.

The following resources will be added to the [PTT Learning Center](#) by the effective date of this memo:

- W-2 Time Limits Policy and Automation Webcast;
- Entering an Extension Desk Aid;
- Extension Details Desk Aid; and
- Editing a Month Desk Aid.

### **AGENCY ACTION**

W-2 agencies must familiarize staff with these changes and update any relevant local agency procedures. Each month, W-2 agencies are required to review the *Federal Months Used Not Matching W-2 Paid Months* WebI report to identify cases where the federal months of assistance used do not match the number of W-2 payments. In the event of a discrepancy, W-2 agencies are required to make a correction or document the reason for the discrepancy. W-2 agencies must be familiar with the new policy when submitting the Q3 Federal Months Used Discrepancies report in October 2017.

### **ATTACHMENTS**

[Revised W-2 Manual Section 2.10.2 State 60-Month Lifetime Limit](#)  
[Revised W-2 Manual Section 2.10.3 24-Month Employment Position Time Limits](#)  
[Revised W-2 Manual Section 2.10.5 Subtracting Months of Eligibility](#)  
[Revised W-2 Manual Section 2.10.8 CMC Time Limits](#)  
[New W-2 Manual Section 2.10.9 Federal 60-Month Lifetime Limit](#)

### **CONTACTS**

For W-2 Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For W-2 Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For W-2 CARES Processing Questions: W-2 Help Desk

DCF/DFES/BWF/ERR